AMENDED IN SENATE SEPTEMBER 2, 2011 AMENDED IN SENATE JULY 7, 2011 AMENDED IN SENATE JUNE 22, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 681

Introduced by Assembly Member Wieckowski

February 17, 2011

An act to amend Sections 25270.2, 25270.4, 25270.11, 25270.12, and 25404.1 of, and to add Sections 25270.4.1, 25270.12.1, and 25270.12.5 to, the Health and Safety Code, relating to aboveground An act to amend Section 25270.11 of the Health and Safety Code, relating to aboveground storage tanks.

LEGISLATIVE COUNSEL'S DIGEST

AB 681, as amended, Wieckowski. Aboveground storage tanks: enforcement. funds.

(1) The Aboveground Petroleum Storage Act (act) defines, for purposes of the act, an "aboveground storage tank" as a tank that has the capacity to store 55 gallons or more of petroleum and that is substantially or totally above the surface of the ground, except as specified. Existing law requires every county to apply to the Secretary for Environmental Protection to be certified to implement the unified hazardous waste and hazardous materials management regulatory program (unified program) and allows a city or local agency to implement the unified program. Existing law requires the unified program agencies (UPAs) to implement that act.

This bill would revise the definition of "aboveground storage tank" to include tanks located in underground areas, as defined. The bill would

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require the UPAs to implement the act in accordance with the regulations adopted by the Office of the State Fire Marshal and would authorize the Office of the State Fire Marshal to adopt these regulations, thereby imposing a state-mandated local program by imposing new requirements upon local agencies with regard to the act. The bill would also require the office to interpret the act and oversee the implementation of the act by the UPAs and would make conforming changes in that regard.

The bill would impose criminal penalties for a violation of the act, thereby imposing a state-mandated local program by creating new crimes, and would impose administrative penalties for a violation of the act.

(2) Existing

Existing law makes the Environmental Protection Trust Fund and the training account in that fund inoperative as of July 1, 2011, and repeals the fund and account as of January 1, 2012. Until July 1, 2011, existing law authorizes the expenditure of a portion of the moneys in the Environmental Protection Trust Fund, upon appropriation by the Legislature, to a training account established and maintained by the Secretary for Environmental Protection and allocates all remaining funds to the UPAs unified program agencies for expenditure to implement the act Aboveground Petroleum Storage Act.

This bill would make the fund and account operative until July 1, 2013, and would repeal the fund and the account on January 1, 2014.

(3) Existing law requires all aspects of the unified program related to the adoption and interpretation of statewide standards and requirements to be the responsibility of the state agency that is charged with that responsibility.

This bill would require the Office of the State Fire Marshal to be the state agency that is charged with this responsibility for aboveground petroleum storage tanks.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for specified reasons.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes-no.

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The people of the State of California do enact as follows:

SECTION 1. Section 25270.2 of the Health and Safety Code is amended to read:

- 25270.2. For purposes of this chapter, the following definitions apply:
- (a) "Aboveground storage tank" or "storage tank" means a tank that has the capacity to store 55 gallons or more of petroleum and that is substantially or totally above the surface of the ground or as provided in subparagraph (B) of paragraph (5). "Aboveground storage tank" does not include any of the following:
- (1) A pressure vessel or boiler that is subject to Part 6 (commencing with Section 7620) of Division 5 of the Labor Code.
- (2) A tank containing hazardous waste, as described in subdivision (g) of Section 25316, if the Department of Toxic Substances Control has issued the person owning or operating the tank a hazardous waste facilities permit for the storage tank.
- (3) An aboveground oil production tank that is subject to Section 3106 of the Public Resources Code.
- (4) Oil-filled electrical equipment, including, but not limited to, transformers, circuit breakers, or capacitors, if the oil-filled electrical equipment meets either of the following conditions:
- (A) The equipment contains less than 10,000 gallons of dielectric fluid.
- (B) The equipment contains 10,000 gallons or more of dielectric fluid with PCB levels less than 50 parts per million, appropriate containment or diversionary structures or equipment are employed to prevent discharged oil from reaching a navigable water course, and the electrical equipment is visually inspected in accordance with the usual routine maintenance procedures of the owner or operator.
- (5) (A) A tank regulated as an underground storage tank under Chapter 6.7 (commencing with Section 25280) of this division and Chapter 16 (commencing with Section 2610) of Division 3 of Title 23 of the California Code of Regulations.
- (B) Notwithstanding subparagraph (A), a tank located in an underground area that is exempt from Chapter 6.7 (commencing with Section 25280) shall be regulated as an aboveground storage tank for purposes of this chapter.

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1 (6) A transportation-related tank facility, subject to the authority 2 and control of the United States Department of Transportation, as 3 defined in the Memorandum of Understanding between the 4 Secretary of Transportation and the Administrator of the United 5 States Environmental Protection Agency, dated November 24, 6 1971, set forth in Appendix A to Part 112 (commencing with 7 Section 112.1) of Subchapter D of Chapter I of Title 40 of the 8 Code of Federal Regulations. 9

- (b) "Board" means the State Water Resources Control Board.
- (c) (1) "Certified Unified Program Agency" or "CUPA" means the agency certified by the Secretary for Environmental Protection to implement the unified program specified in Chapter 6.11 (commencing with Section 25404) within a jurisdiction.
- (2) "Participating Agency" or "PA" means an agency that has a written agreement with the CUPA pursuant to subdivision (d) of Section 25404.3, and is approved by the secretary, to implement and enforce the unified program element specified in paragraph (2) of subdivision (c) of Section 25404, in accordance with Sections 25404.1 and 25404.2.
- (3) (A) "Unified Program Agency" or "UPA" means the CUPA, or its participating agencies to the extent that each PA has been designated by the CUPA, pursuant to a written agreement, to implement and enforce the unified program element specified in paragraph (2) of subdivision (c) of Section 25404. The UPAs have the responsibility and authority, to the extent provided by this chapter and Sections 25404.1 and 25404.2, to implement and enforce the requirements of this chapter.
- (B) After a CUPA has been certified by the secretary, the unified program agency shall be the only agency authorized to enforce the requirements of this chapter.
- (C) This paragraph does not limit the authority or responsibility granted to the office, the board, and the regional boards by this chapter.
 - (d) "Office" means the Office of the State Fire Marshal.
- (e) "Operator" means the person responsible for the overall operation of a tank facility.
- (f) "Owner" means the person who owns the tank facility or part of the tank facility.
- 39 (g) "Person" means an individual, trust, firm, joint stock 40 company, corporation, including a government corporation,

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partnership, limited liability company, or association. "Person" also includes any city, county, district, the University of California, the California State University, the state, any department or agency thereof, and the United States, to the extent authorized by federal law.

- (h) "Petroleum" means crude oil, or a fraction thereof, that is liquid at 60 degrees Fahrenheit temperature and 14.7 pounds per square inch absolute pressure.
- (i) "Regional board" means a California regional water quality control board.
- (j) "Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, escaping, leaching, or disposing into the environment.
- (k) "Secretary" means the Secretary for Environmental Protection.
- (*l*) "Storage" or "store" means the containment, handling, or treatment of petroleum, for a period of time, including on a temporary basis.
- (m) "Storage capacity" means the aggregate capacity of all aboveground tanks at a tank facility.
- (n) "Tank facility" means one or more aboveground storage tanks, including any piping that is integral to the tanks, that contain petroleum and that are used by an owner or operator at a single location or site. For purposes of this chapter, a pipe is integrally related to an aboveground storage tank if the pipe is connected to the tank and meets any of the following:
 - (1) The pipe is within the dike or containment area.
- (2) The pipe is between the containment area and the first flange or valve outside the containment area.
- (3) The pipe is connected to the first flange or valve on the exterior of the tank, if state or federal law does not require a containment area.
- (o) "Underground area" means an underground room or space, including, but not limited to, a basement, cellar, shaft, pit, or vault, providing enough space for physical inspection of the exterior of the tank situated on or above the surface of the floor.
- 37 SEC. 2. Section 25270.4 of the Health and Safety Code is amended to read:
- 39 25270.4. This chapter shall be implemented by the Unified 40 Program Agency, in accordance with the regulations adopted by

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the office pursuant to Section 25270.4.1. If there is no UPA, the
 agency authorized pursuant to subdivision (f) of Section 25404.3
 shall be deemed to be the UPA for purposes of this chapter and
 shall implement this chapter.

SEC. 3. Section 25270.4.1 is added to the Health and Safety Code, to read:

25270.4.1. (a) The office may adopt regulations implementing this chapter. The office shall also provide interpretation of this chapter to the UPAs, and oversee the implementation of this chapter by the UPAs.

(b) Any regulation adopted by the office pursuant to this section shall ensure consistency with the requirements for spill prevention, control, and countermeasure plans under Part 112 (commencing with Section 112.1) of Subchapter D of Chapter I of Title 40 of the Code of Federal Regulations, and shall include any more stringent requirements necessary to implement this chapter.

SEC. 4.

SECTION 1. Section 25270.11 of the Health and Safety Code is amended to read:

25270.11. (a) All moneys in the Environmental Protection Trust Fund may be expended, upon appropriation by the Legislature, in the following manner:

- (1) A portion of the funds, in an amount determined by the secretary in consultation with the UPAs, to a training account established and maintained by the secretary, to be used for purposes of training UPA personnel in the requirements of this chapter.
- (2) All remaining funds in the Environmental Protection Trust Fund, shall be allocated to the UPAs, in accordance with a formula and process determined by the secretary in consultation with the UPAs. The UPAs shall expend those funds for the purpose of implementing this chapter. Eighty percent or less of each UPA's allocation may be distributed to the UPA in advance of actual expenditure by the UPA.
- (b) All moneys remaining in the training account established pursuant to paragraph (1) of subdivision (a), as of June 1, 2013, may be expended pursuant to paragraph (2) of subdivision (a), upon appropriation by the Legislature.
- (c) All moneys remaining in the Environmental Protection Trust Fund that have not been expended, as of June 1, 2013, shall be deposited into the Unified Program Account created pursuant to

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Section 25404.5 and expended pursuant to paragraph (2) of subdivision (a), upon appropriation by the Legislature.

- (d) This section shall become inoperative on July 1, 2013, and, as of January 1, 2014, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2014, deletes or extends the dates on which it becomes inoperative and is repealed.
- SEC. 5. Section 25270.12 of the Health and Safety Code is amended to read:
- 25270.12. (a) Any owner or operator of a tank facility who fails to prepare a spill prevention control and countermeasure plan in compliance with subdivision (a) of Section 25270.4.5, to file a tank facility statement pursuant to subdivision (a) of Section 25270.6, to submit the fee required by subdivision (b) of Section 25270.6, to report spills as required by Section 25270.8, or otherwise fails to comply with the requirements of this chapter, is subject to a civil penalty of not more than five thousand dollars (\$5,000) for each day on which the violation continues. If the owner or operator commits a second or subsequent violation, a civil penalty of not more than ten thousand dollars (\$10,000) for each day on which the violation continues may be imposed.
- (b) (1) The civil penalties provided by this section may be assessed and recovered in a civil action brought by the city attorney or district attorney on behalf of the UPA.
- (2) Fifty percent of all penalties assessed and recovered in a civil action brought on behalf of a UPA pursuant to this subdivision shall be deposited into a unified program account established by the UPA for the purpose of carrying out the functions of the unified program and 50 percent shall be paid to the office of the city attorney or district attorney, whoever brought that action.
- (c) (1) The civil penalties provided in this section may be assessed and recovered in a civil action brought by the Attorney General on behalf of the office, the board, or a regional board, or on behalf of the people of the State of California.
- (2) All penalties assessed and recovered in a civil action brought pursuant to this subdivision shall be deposited in the Waste Discharge Permit Fund. These moneys shall be separately accounted for, and shall be expended by the board, upon appropriation by the Legislature, to assist regional boards and other public agencies with authority to clean up waste or abate the effects

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of the waste, in cleaning up or abating the effects of the waste on waters of the state, or for the purposes authorized in Section 13443.

- (d) The city attorney, district attorney, or the Attorney General may seek to enjoin, in any court of competent jurisdiction, any person believed to be in violation of this chapter.
- (e) The penalties specified in this section are in addition to any other penalties provided by law.
- SEC. 6. Section 25270.12.1 is added to the Health and Safety Code, to read:
- 25270.12.1. (a) An owner or operator of a tank facility who fails to prepare a spill prevention control and countermeasure plan in compliance with subdivision (a) of Section 25270.4.5, to file a tank facility statement pursuant to subdivision (a) of Section 25270.6, to submit the fee required by subdivision (b) of Section 25270.6, to report spills as required by Section 25270.8, or who otherwise fails to comply with the requirements of this chapter is liable to the UPA for an administrative penalty of not more than five thousand dollars (\$5,000) for each day on which the violation continues. If the owner or operator commits a second or subsequent violation, an administrative penalty of not more than ten thousand dollars (\$10,000) for each day on which the violation continues may be imposed.
- (b) The administrative penalties assessed by a UPA shall be deposited into a unified program account established by the UPA for the purpose of carrying out the functions of the unified program.
- (c) The penalties specified in this section are in addition to any other penalties provided by law.
- (d) When a UPA issues an enforcement order or assesses an administrative penalty, or both, for a violation of this chapter, the administering agency shall utilize the administrative enforcement procedures specified in Sections 25404.1.1 and 25404.1.2.
- SEC. 7. Section 25270.12.5 is added to the Health and Safety Code, to read:
- 25270.12.5. (a) A person that knowingly violates Section 25270.4.5, 25270.6, or 25270.8 after reasonable notice of the violation is, upon conviction, guilty of a misdemeanor.
- 37 (b) This section does not preempt any other applicable criminal
 38 or civil penalties.
- 39 SEC. 8. Section 25404.1 of the Health and Safety Code is 40 amended to read:

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25404.1. (a) (1) All aspects of the unified program related to the adoption and interpretation of statewide standards and requirements shall be the responsibility of the state agency that is charged with that responsibility under existing law. For underground storage tanks, that agency shall be the State Water Resources Control Board. The California regional water quality control boards shall have responsibility for the issuance of variances pursuant to subdivision (b) of Section 25299.4. The Department of Toxic Substances Control shall have the sole responsibility for the issuances of variances from the requirements of Chapter 6.5 (commencing with Section 25100) and the regulations adopted pursuant thereto, for the determination of whether or not a waste is hazardous or nonhazardous, for the determination of whether or not a person is eligible to be deemed to be operating pursuant to a permit-by-rule, conditional authorization, or conditional exemption pursuant to Chapter 6.5 (commencing with Section 25100) or the regulations adopted by the department, and for the suspension and revocation of permits-by-rule, conditional authorizations, and conditional exemptions. The Office of the State Fire Marshal shall be the state agency that is charged with the responsibility for the adoption and interpretation of statewide standards for aboveground petroleum storage tanks.

- (2) Except as provided in paragraphs (1) and (3), those aspects of the unified program related to the application of statewide standards to particular facilities, including the issuance of unified program facility permits, the review of reports and plans, environmental assessment, compliance and correction, and the enforcement of those standards and requirements against particular facilities, shall be the responsibility of the unified program agencies.
- (3) (A) Except in those jurisdictions for which the UPA has been determined by the department, in accordance with regulations adopted pursuant to subparagraph (C), to be qualified to implement the environmental assessment and removal and remediation corrective action aspects of the unified program, the department shall have sole responsibility and authority under the unified program for all of the following:
- (i) Implementing and enforcing the requirements of paragraph (3) of subdivision (e) of Section 25200.3 and Sections 25200.10

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and 25200.14, and the regulations adopted by the department to implement those sections. As a pilot program in up to 10 counties, pending the adoption and implementation of regulations pursuant to subparagraph (C), the department may delegate to the CUPA, through a delegation agreement, responsibility and authority for implementing and enforcing the requirements of Section 25200.14.

- (ii) The issuance of orders under Section 25187 requiring removal or remedial action.
 - (iii) The issuance of orders under Section 25187.1.
- (B) Notwithstanding subparagraph (A), a UPA may issue an order under Section 25187 specifying a schedule for compliance or correction and imposing an administrative penalty for any violation of the requirements of Chapter 6.5 (commencing with Section 25100) listed in paragraph (1) of subdivision (c) of Section 25404, or the requirements of any permit, rule, regulation, standard or requirement issued or adopted pursuant to the requirements of Chapter 6.5 (commencing with Section 25100) listed in paragraph (1) of subdivision (c) of Section 25404, if one of the following applies:
 - (i) The order does not require removal or remedial action.
- (ii) The only removal or remedial actions required by the order are those actions determined to be necessary to address an imminent and substantial endangerment based upon a finding by the UPA pursuant to subdivision (h) of Section 25187.
- (C) The department shall adopt emergency regulations specifying the criteria and procedures for implementing paragraph (3) of subdivision (c) of Section 25200.3 and Sections 25200.10 and 25200.14, including criteria and procedures for determining whether or not a unified program agency is qualified to implement the environmental assessment and removal and remediation corrective action portions of the unified program under paragraph (3) of subdivision (c) of Section 25200.3 and Sections 25187, 25187.1, 25200.10, and 25200.14. The criteria for determining whether a unified program agency is qualified shall, at a minimum, include consideration of the following factors:
- (i) Adequacy of the technical expertise possessed by the unified
 program agency.
 - (ii) Adequacy of staff resources.
 - (iii) Adequacy of budget resources and funding mechanisms.
- 40 (iv) Training requirements.

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(v) Past performance in implementing and enforcing requirements related to environmental assessments, and removal and remediation corrective actions.

(vi) Recordkeeping and accounting systems.

- (D) The regulations adopted by the department pursuant to subparagraph (C) shall include provisions to ensure coordinated and consistent application of paragraph (3) of subdivision (e) of Section 25200.3 and Sections 25187, 25187.1, 25200.10, and 25200.14, when both the department and the unified program agency are, or will be, implementing and enforcing the requirements of one or more of these sections at the same facility.
- (E) For purposes of subparagraph (D), "facility" means the entire site that is under the control of the owner or operator.
- (F) If the department is designated as a unified program agency, the department is deemed qualified to implement all of the following:
- (i) The environmental assessment, removal and remedial action, and corrective action aspects of the unified program.
- (ii) Paragraph (3) of subdivision (e) of Section 25300.3, Sections 25200.10, 25200.14, 25187, and 25287.1, and the regulations adopted by the department to implement those provisions.
- (b) (1) On or before January 1, 1996, each county shall apply to the secretary to be certified as a unified program agency to implement the unified program within the unincorporated area of the county and within each city in the county, in which area or city, as of January 1, 1996, the city or other local agency has not applied to be the certified unified program agency.
- (2) (A) Any city or other local agency which, as of December 31, 1995, has been designated as an administering agency pursuant to Section 25502, or which has assumed responsibility for the implementation of Chapter 6.7 (commencing with Section 25280) pursuant to Section 25283, may apply to the secretary to become the certified unified program agency to implement the unified program within the jurisdictional boundaries of the city or local agency.
- (B) A city or other local agency which, as of December 31, 1995, has not been designated as an administering agency pursuant to Section 25502, or which has not assumed responsibility for the implementation of Chapter 6.7 (commencing with Section 25280) pursuant to Section 25283, may apply to the secretary to become

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 the certified unified program agency within the jurisdictional boundaries of the city or local agency if it enters into an agreement with the county to become the certified unified program agency within those boundaries. A county shall not refuse to enter into an agreement unless it specifies in writing its reasons for failing to enter into the agreement. However, if the city does not enter into the agreement with the county, within 30 days of receiving a county's reasons for failing to enter into agreement, a city may request that the secretary allow it to apply to be a certified unified program agency and the secretary may, in his or her discretion, approve the request.

- (3) A city, county, or other local agency may propose, in its application for certification to the secretary, to allow other public agencies to implement certain elements of the unified program, but the secretary shall accept that proposal only if the secretary makes the findings specified in subdivision (d) of Section 25404.3.
- (4) If a city or other local agency which, as of December 31, 1995, has been designated as an administering agency pursuant to Section 25502, or has assumed responsibility for the implementation of Chapter 6.7 (commencing with Section 25280) pursuant to Section 25283, requests that the county propose in its application for certification to the secretary that the city or local agency implement, within the jurisdictional boundaries of the city or local agency, those elements of the unified program which, as of December 31, 1995, the city or local agency has authority to administer, the county shall grant that request. If such an agency is subsequently removed or withdraws from the unified program, the agency shall not act as an administering agency under Section 25502 or act as a local agency pursuant to Chapter 6.7 (commencing with Section 25280), except as provided in subdivision (c) of Section 25283.
- SEC. 9. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because costs may be incurred by a local agency or school district because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution, or because a local agency or school district has the authority to levy service charges, fees, or

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- assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.
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